

**NEW WORLD SYSTEMS®**

Public Sector Software

888 West Big Beaver Road Suite 1100 Troy, MI 48084 (248) 269-1000

**EMPLOYMENT AGREEMENT**  
**between**  
**NEW WORLD SYSTEMS CORPORATION**  
**and**  
**CHAUNCEY JONES**

*Chauncey, welcome to New World Systems Corporation!*

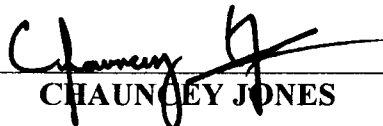
Your employment agreement with New World contains three sections entitled:

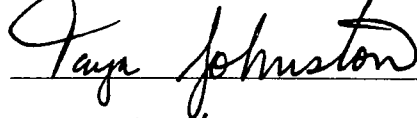
- Initial Compensation Plan
- Non-Competition and Non-Disclosure Section
- General Terms and Conditions

*Your first assignment as a New World employee will be as a Logos New Account Regional Territory Manager with an expected start date of Monday, September 21, 1998. We are happy to have you as a part of the New World team and are pleased you have accepted our offer of employment under the terms and conditions set forth in this agreement. We look forward to you joining our staff.*

**AGREED TO BY:**

I acknowledge that I have read this Agreement, that I have had an opportunity to ask questions about it and to discuss it with my own advisor, and that I accept employment with New World under the terms and conditions set forth in this Agreement. I understand that New World is relying on my representation that my acceptance of employment with New World under the terms and conditions set forth in this Agreement does not violate any other agreement I have or have had with another person, employer or entity.

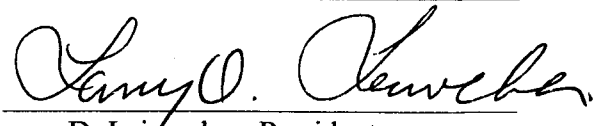
Employee:  
 Signature:   
 CHAUNCEY JONES

Witness:  
 Signature: 

Date: 9/21/98

Date: 9/21/98

**ACCEPTED BY:**  
 NEW WORLD SYSTEMS CORPORATION

By:   
 Larry D. Leinweber, President

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**NON-COMPETITION AND NON-DISCLOSURE SECTION**

This section on Non-Competition and Non-Disclosure remains in effect after termination. Without limiting any other legal or equitable remedies New World may have, **Chauncey Jones** (Employee) agrees that the provisions in this section concerning non-disclosure and non-competition may be enforced by injunction without any requirement that New World post a bond or provide any other security as a condition of obtaining an injunction.

**A. NON-COMPETITION**

During the term of this Agreement and for a period of two (2) years from the date of termination of employment, the Employee will not directly or indirectly compete with New World in any state within the United States in which New World Systems has an existing Customer determined as of the date of termination (the "Non-Competition Period").

In the event the Employee has been employed at any management level for a period of at least six (6) months at the time of termination and has been employed by New World in any capacity for a period of at least four (4) years or more at the time of termination, then the Non-Competition Period shall be four (4) years from the date of termination.

If the Employee has been employed by New World in any capacity for a period of six (6) years or longer at the time of termination, then the Non-Competition Period shall be four (4) years from the date of termination.

The employee understands the increase in the non-compete period from two (2) years to four (4) years applies to him/her without any further notification provided the Employee's status at New World falls within either one of the two four-year provisions set forth in this paragraph above.

The Employee will have violated this paragraph A if any of the following occur during the applicable Non-Competition Period:

**1. RESTRICTED BUSINESS**

The Employee enters into or attempts to enter into a "Restricted Business" (as defined below) or otherwise competes with New World. Under this provision, the Employee shall not engage in a "Restricted Business" other than as an employee of New World, nor shall the Employee directly or indirectly service, advise, or work for an individual, firm, or corporation engaged in a "Restricted Business"; or

(The term "Restricted Business" as used herein refers to any business involved in the development, sale and/or support of application software programs or systems for use by public sector organizations. "Public Sector Organizations" include cities, counties, municipalities, towns, townships, or other local, state or federal governmental bodies, boards or agencies, police departments, fire departments, jail management organizations, court management organizations, public or private, state, local or regional schools and school districts, utilities (both public and private), units within such organizations and similar public and quasi-public organizations and agencies, federal, state or local.)

**2. INDUCE TERMINATION**

The Employee directly or indirectly induces or attempts to induce any current New World employee to terminate his/her employment with New World and enters into any business relationship with the Employee, with any business organization in which the Employee is a participant in any capacity whatsoever, or with any other competitor of New World; or

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### 3. RECRUITING

The Employee directly or indirectly provides names of current or former New World employees for the purpose of recruiting such current or former New World employee for employment elsewhere; provided however that this restriction on former employees expires once the former employee has not worked for New World for a period of six (6) consecutive months; or

### 4. CUSTOMER COMPETITION

The Employee directly or indirectly becomes an employee of, or performs any work or service for, an organization (or an employee of an organization) who was a Customer of New World during the term of this Agreement; provided, however, that the Employee may become an employee of, or perform work or service for, a former Customer of New World which terminated its business relationship with New World at least twelve (12) consecutive months before the Employee begins the work or service; or

### 5. PROSPECTIVE CUSTOMER

The Employee directly or indirectly becomes an employee of, or performs any work or service for, a Prospective Customer of New World. The term "Prospective Customer" as used herein refers to as a person or organization which has received a written proposal from New World or has appeared on a New World internal prospect or forecast list in the twelve (12) month period immediately preceding the date of termination of Employee's employment with New World.

## B. NON-DISCLOSURE

Except as specifically required as an Employee, both during and after the term of this Agreement, Employee shall not directly or indirectly use, disclose or distribute information or property held confidential by New World including, without limitation, contracts, proprietary information, trade secrets, Customer lists, prospect lists, employee lists, business practices, methods, inventions, discoveries, mailing lists, pricing information, sales records, price lists, contracts, forecasts, computer programs, formulas, technical information, and/or other tangible or intangible property relating to New World's business. This restriction on non-disclosure or use, includes, without limitation, the distribution, disclosure or use of any information, knowledge and/or data the Employee receives or develops during his/her term of employment, which information, knowledge, and/or data are considered proprietary or confidential by New World or which relate to the trade secrets of New World.

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**GENERAL TERMS AND CONDITIONS OF EMPLOYMENT**

**A. NEW WORLD'S MANAGEMENT RIGHTS**

COMPANY POLICIES, PROCEDURES AND WORKING CONDITIONS, INCLUDING BUT NOT LIMITED TO, COMPENSATION PLANS AND ASSIGNED DUTIES, MAY BE CHANGED FROM TIME TO TIME AT MANAGEMENT'S DISCRETION. New World reserves the right to change any employee's title, compensation, assigned duties, position and/or job responsibilities at any time. At the time compensation plans and/or company policies, procedures or other working conditions are modified by management, the modified version becomes a term and/or condition of employment accepted by the Employee as evidenced by Employee's continued employment.

**B. COMPENSATION PACKAGE**

Employee's compensation package is specified in the Employee's then-current Compensation Plan. The Employee's "base" compensation includes either a fixed salary and/or draw (excluding other incentives, bonuses, commissions and/or benefits, if any) which covers all hours worked during any given week. The hours worked by the Employee during any given week will likely fluctuate from week to week.

Incentives, bonuses and other company benefits

- (a) are not guaranteed and may not be offered at all or may be withdrawn or modified at any time and in any manner at the sole discretion of management,
- (b) are not included in base compensation, and
- (c) are paid only in the amounts and at the times determined by management in its sole discretion.

The fixed salary and/or draw is paid to compensate the Employee for all hours worked during any given work week covered within the pay period. The Employee's total annual compensation shall include the Employee's base compensation plus any paid incentives, bonuses and/or commissions, if any.

Discretionary bonus(es) and incentive(s), if any, are not guaranteed and shall only be paid to employees in the amounts and at times as determined in the sole discretion of the New World corporate officers. An employee will not be eligible for a discretionary bonus or incentive unless the employee has continued to be employed through the date the discretionary bonus or incentive is paid.

The Employee may also receive certain fringe benefits from New World during the course of employment. Fringe benefits are not guaranteed and may be modified at management's discretion.

**C. COMPENSATION PROVISION APPLICABLE TO SALES/MARKETING DEPARTMENT EMPLOYEES**

In the event the Employee's compensation package includes a payment of commissions of any type, the Employee understands and agrees that commissions (as outlined in the Employee's Compensation Plan) are earned only if and when a contract is executed by both the Customer and New World, and that commissions are payable to the Employee only if and when the Customer makes payment on that signed contract to New World.

Upon termination of employment, only commissions which have been earned as of the date of termination (i.e., on a contract executed by New World and the Customer prior to the date of termination) shall be payable to the Employee, and only upon receipt of payment from the Customer. Adjustments, refunds, cancellations, credits or write offs after the execution of a contract may be made in the sole discretion of New World's senior management. Any write-offs or adjustments that arise during employment or after termination will correspondingly be written off or deducted from Employee's commission payments owed as reflected on the Employee's commission statement.

**D. FULL WORK EFFORT/ADHERENCE TO POLICIES**

While employed by New World, the Employee agrees to devote his/her entire working time, attention, and energies to the performance of his/her duties with New World. The Employee will not engage in any business activity other than as a New World employee, whether or not pursued for gain. The Employee agrees to competently perform his/her duties to the best of his/her ability and to strictly adhere to all company policies, procedures, rules and regulations adopted by New World.

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#### E. WORK EXPECTATIONS

To enhance employee development and job productivity, the Employee agrees to maintain an average work week of 45 hours or more. This time is to be reported weekly on company time records and will include the following:

- the time spent at New World offices excluding lunch periods;
- the time spent at Customer locations excluding lunch periods; and/or
- the time spent traveling to and from Customer locations minus normal commuting time.

The Employee is responsible for accurately and timely recording all time worked for the benefit of New World.

#### F. TERMINABLE AT WILL EMPLOYMENT

Either party is free to terminate this employment relationship at any time and for any reason or even no reason at all with one (1) week written notice. This means that employment with New World Systems is "terminable at will" by either party. No one is authorized to make any promise of continued employment, and the Employee is not to assume, from any statements, actions or course of conduct, that his/her employment has for any reason been changed from its "at will" status.

This "at will" provision applies to every Employee even if that Employee is employed under a training program offered by New World.

#### G. ASSIGNMENT OF WORKS

The Employee shall fully and promptly disclose and assign to New World for its sole benefit to be used in any manner that it sees fit, and without any additional compensation, all ideas, discoveries, inventions, and improvements, whether patentable or not, and all writings (including any copyrights) which are made, conceived or reduced to practice by the Employee, alone or with others, whether complete or not during the term of employment, which are related to the business of New World or which result from tasks assigned to the Employee by New World. The Employee agrees to assist New World and/or its agents (without charge, but at no expense to the Employee), at any time and in every proper way to obtain and maintain for New World's own benefit, patents, trademarks, trade names, and/or copyrights for all such ideas, discoveries, inventions, and improvements anywhere in the world.

#### H. TRAVEL REQUIREMENTS

New World markets its software and services through out the United States. Therefore, depending on the Employee's job assignment and the needs of the company and its Customers, the Employee understands and agrees that travel may be an integral part of his/her job duties. Travel may include overnight trips. The Employee may be required to spend up to 80% or more of his/her total days worked away from New World's offices. Employee's actual and documented expenses incurred while travelling on business for New World may be reimbursed in accordance with New World's expense and time reporting policies. Any expenses incurred by Employee for which Employee seeks reimbursement must be timely and accurately reported to New World accompanied by proper receipts.

#### I. NEW WORLD PROPERTY

Upon termination, the Employee agrees to promptly deliver to New World all New World property, keys, pass or security cards, credit cards, programs, tapes, diskettes, other computer media, Customer lists, prospect lists, sales records, price lists, contracts, forecasts, employee lists, and/or compilations or abstracts of the foregoing lists, manuals, letters, notes, reports and all other material including any copies or duplicates thereof relating to New World's business in the Employee's possession and/or under Employee's control. The above list of properties and materials includes any other items specifically referenced in Paragraph B of the Non-Competition and Non-Disclosure Section of this Agreement or any other confidential material identified by New World during the term of employment as "Confidential".

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#### J. REMEDIES

1. The Employee recognizes and agrees that a violation of any term, provision or condition of the Non-Competition and Non-Disclosure Section, may cause irreparable harm to New World, the monetary value of which is difficult to ascertain, and that the award of any amount of monetary damages may not be adequate relief to New World. The Employee, therefore, agrees that, in addition to all other remedies available in the event of breach of the Non-Competition and Non-Disclosure Section, New World has the right to injunctive relief and specific enforcement of its provisions.

2. Without limiting or waiving any of New World's legal or equitable rights or remedies, including but not limited to the remedies set forth in the preceding paragraph, in the event that the Employee violates any provision of the Non-Competition and Non-Disclosure Section by providing services to any Customer or Prospective Customer of the New World, the Employee shall be deemed to have purchased the goodwill of New World associated with such Customer or Prospective Customer in addition to any other damages suffered by New World. The purchase price for such goodwill shall be the greater of:

- (i) two times the amounts paid by any such Customer to New World in the two (2) years immediately preceding the termination of the Employee's relationship with New World,
- (ii) two times the amount billed by the Employee (or any person or organization with which the Employee is associated) to the Customer or prospective Customer for products provided or services rendered in the twenty-four (24) months following the termination of the Employee's relationship with New World; or
- (iii) \$30,000.

3. The Employee agrees to reimburse New World for its actual costs and expenses, including attorney's fees, incurred in the enforcement of this Agreement, including, without limitation, the section on Non-Competition and Non-Disclosure.

#### K. NOTICES

Any notice, demand, offer or other written communication required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by first class mail with full postage, addressed as follows (or to such address so identified in writing):

**To New World:**  
New World Systems Corporation  
888 West Big Beaver Road, Suite 1100  
Troy, MI 48084  
Attention: President

**To the Employee:**  
Chauncey Jones  
4416 Dolphin Drive  
Tampa, FL 33617

#### L. NON-WAIVER

The waiver by New World of the breach of any provision of this Agreement by the Employee shall not operate or be construed as a waiver of any subsequent breach by the Employee.

#### M. DISPUTE RESOLUTION, ARBITRATION

Except for disputes, differences, claims and/or disagreements arising out of or in connection with an alleged violation and/or alleged breach by the Employee of the Non-Competition and Non-Disclosure Section, any Claim shall be raised before a panel of three (3) arbitrators in accordance with the rules of the American Arbitration Association (AAA). A Claim as used herein is any dispute, difference, claim and/or disagreement including any and all liabilities, claims, obligations, demands, suits, actions or causes of action arising out of or related to the Employee's hire, employment and termination of employment at New World, including but not limited to, any breach of contract claims, common law tort claims, claims of defamation,

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claims of discrimination, claims for benefits, as well as any claims the Employee may have in connection with any and all local, state or federal constitutions, ordinances, statutes, regulations or common law including any claims arising under the federal Age Discrimination in Employment Act ("ADEA"). The only exception to this arbitration requirement shall be claims for breach of the Non-Competition or Non-Disclosure Section of this Agreement.

Notwithstanding the foregoing, in the event the amount in controversy is less than \$10,000, a single arbitrator, rather than a panel of three (3) arbitrators, shall be used. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction in the state of Michigan, Oakland County. Any arbitration proceeding shall be held at the Regional office for AAA, Southeast Michigan within the state of Michigan. Except at the sole discretion of New World, matters raised in the proceeding and the decision rendered by the arbitrator(s), if any, shall be held confidential by the parties and not disclosed to any non-party except to the extent disclosure is specifically ordered by a court of competent jurisdiction, and only then to the minimum extent required by the order.

In the event that the Employee believes he or she has been subjected to any treatment which forms a basis for any claim arising out of his/her employment, the Employee must submit his/her Claim in writing to New World, attention Human Resources Manager, within sixty (60) days of the occurrence of the event. New World will respond to any Claim submitted in writing in accordance with this paragraph within sixty (60) days, of receipt of the written submission.

Employee agrees to and hereby submits to the personal jurisdiction of any court within the State of Michigan.

N. SEVERABILITY

If any provision of this Agreement is determined to be invalid or otherwise unenforceable, the remaining provisions of this Agreement and the remaining portion of the invalid provision shall not be affected by that determination.

O. MODIFICATIONS/INTEGRATION

Except as specifically provided herein, this Agreement can only be modified in writing signed by both parties. This Agreement contains the complete understanding of the parties, and supersedes all previous agreements, negotiations, commitments and writings, oral or written.

P. GOVERNING LAW AND JURISDICTION

This Agreement is governed by the laws of the State of Michigan and both parties hereby agree that each is subject to the jurisdiction of the State of Michigan, County of Oakland.

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